

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF MISSISSIPPI  
NORTHERN DIVISION

ALYSSON MILLS, IN HER CAPACITY  
AS RECEIVER FOR ARTHUR LAMAR  
ADAMS AND MADISON TIMBER  
PROPERTIES, LLC,

Plaintiff,

v.

BUTLER SNOW LLP; BUTLER SNOW  
ADVISORY SERVICES, LLC; MATT  
THORNTON; BAKER, DONELSON,  
BEARMAN, CALDWELL & BERKOWITZ,  
PC; ALEXANDER SEAWRIGHT, LLC;  
BRENT ALEXANDER; and JON  
SEAWRIGHT,

Defendants.

Case No. 3:18-cv-866-CWR-BWR

Arising out of Case No. 3:18-cv-252,  
*Securities and Exchange Commission v.  
Arthur Lamar Adams and Madison  
Timber Properties, LLC*

Carlton W. Reeves, District Judge  
Bradley W. Rath, Magistrate Judge

**REPLY TO BAKER DONELSON'S OPPOSITION TO  
MOTION *IN LIMINE* ON SPECIFIC MATTERS RELATING TO  
BAKER DONELSON'S LIABILITY**

Alysson Mills, in her capacity as Receiver for Arthur Lamar Adams ("Adams") and Madison Timber Properties, LLC ("Madison Timber"), respectfully submits this memorandum in further support of her Motion *in Limine* on Specific Matters Relating to Baker Donelson's Liability [233] and in reply to Baker Donleson's opposition to it [248].

## REPLY ARGUMENT

Baker Donelson opposes the Receiver's motion *in limine*, but from the parties' briefing, the Court may take away the following:

**1. Houseal is a lawyer in a law firm and an expert in insurance coverage.**

Baker Donelson contends Houseal is qualified to opine on law firm management at trial based on "his decades of experience as an attorney at a law firm, and advising other law firms."<sup>1</sup> But Houseal could name only two occasions in which he ever advised a law firm: once, in the 1980s, he mediated a partnership breakup,<sup>2</sup> and, once, in the 1990s, he provided counsel on an unspecified partnership dispute.<sup>3</sup>

The Receiver showed that Houseal does not purport to have any special expertise in law firm management.<sup>4</sup> He does not "teach it" or "litigate it."<sup>5</sup> His only qualification for opining on it is he is a lawyer in a law firm, and, to that extent, he has been "involved" in law firm management.<sup>6</sup> He actually considers himself an expert in insurance coverage.<sup>7</sup>

Baker Donelson says the Receiver's expert, Marta-Ann Schnabel, "has vastly less relevant experience."<sup>8</sup> That is not at all fair. Schnabel is the managing director of her current firm and was managing partner of her prior firm for ten years.<sup>9</sup> She was President of the Louisiana State Bar Association and the New Orleans Bar Association. She has been a member of the LSBA's Rules

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<sup>1</sup> 249 at 3.

<sup>2</sup> 248-1, Houseal depo at 37.

<sup>3</sup> 248-1, Houseal depo at 34-36.

<sup>4</sup> 234 at 3.

<sup>5</sup> 233-1, Houseal depo at 26:7-8.

<sup>6</sup> 233-1, Houseal depo at 26:7-8.

<sup>7</sup> 234 at 3.

<sup>8</sup> 249 at 3.

<sup>9</sup> 231-1, Schnabel CV, at 1

of Professional Conduct Committee for 20 years and was a member of the LSBA’s Ethics Advisory Service Committee for 15 years, through which she issued opinions for attorneys seeking counsel for questions related to rules of professional conduct.<sup>10</sup> She has been the chair and a member of the Law Practice Management Section of DRI (Association of Lawyers Defending Businesses) since 2012. She has spoken on, written on, hosted seminars on, and edited a book on law firm management.<sup>11</sup>

Houseal does not have, and so cannot offer, any such specialized knowledge here, therefore his testimony would do nothing more than narrate Baker Donelson’s version of the facts, something he cannot do.

## **2. Cooper has no opinion on Baker Donelson’s liability.**

The Receiver showed that Cooper is not an expert in law firm management.<sup>12</sup> Baker Donelson does not dispute that.

Baker Donelson says it retained Cooper “to conduct an analysis of *the firm*’s compliance with the Mississippi Rules of Professional Conduct.”<sup>13</sup> Consistent with that ask, in his report Cooper opines that “*Baker Donelson*” or “*the firm*” did nothing wrong: “*Baker Donelson* and its managerial lawyers met their obligations under Rule 5.1 and 5.3”; “[*t*]he *firm* and its managerial lawyers (except for Seawright) did not know about Alexander and Seawright’s timber investment business and therefore bear no responsibility for that business under the Rules of Professional Conduct”; “*Baker Donelson* and its managerial lawyers had no duty to supervise Alexander and Seawright in their outside investment activities”; and “*a law firm* and managerial personnel in the

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<sup>10</sup> 254-1, Schnabel depo at 31:6-32:11.

<sup>11</sup> Ex. A, Schnabel depo at 41-47.

<sup>12</sup> 234 at 6.

<sup>13</sup> 249 at 6.

position of *Baker Donelson* and its managerial lawyers, acting with the Rules and related standards, would have no reason to know about Alexander and Seawright's timber business.”<sup>14</sup>

The problem is that, as the Receiver showed, in his deposition Cooper emphatically stated he does not have an opinion on “*the firm*”: “Rules of Professional Conduct govern the conduct of individual lawyers, not law firms”; “I am analyzing the Rule of Professional Conduct which applied to individual lawyers. They don’t apply to the firm”; and, “Well, my opinion is about the Rules of Professional Conduct which applied to individual lawyers, not to the firm.”<sup>15</sup> Baker Donelson does not address this deposition testimony.

Baker Donelson argues Schnabel and Cooper cite the “same ethics rules.”<sup>16</sup> But Schnabel has an opinion on Baker Donelson, the firm and the defendant, and Cooper does not. Cooper’s testimony would do nothing more than narrate Baker Donelson’s version of the facts, something he cannot do.

## CONCLUSION

For the reasons stated here and in the Receiver’s opening memorandum, the Receiver’s motion should be granted.

Respectfully submitted,

/s/ *Lilli Evans Bass*

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/s/ *Kaja S. Elmer*

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<sup>14</sup> 234 at 6.

<sup>15</sup> 234 at 6.

<sup>16</sup> 249 at 7.

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**CERTIFICATE OF SERVICE**

I certify that I electronically filed the foregoing with the Clerk of Court using the ECF system which sent notification of filing to all counsel of record.

Date: November 24, 2025

*/s/ Kaja S. Elmer*

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V.

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## Defendants.

VIDEOTAPED DEPOSITION OF:

MARTA ANN SCHNABEL

Tuesday, September 16, 2025  
9:32 a.m. (CST)

At the Law Offices of:

FISHMAN HAYGOOD, L.L.P.

201 St. Charles Avenue, Suite 4600  
New Orleans, Louisiana 70170

Reported by: YOLANDA J. PENA, CCR, RPR

1                   Q.     Sitting here today, can you identify any  
2     differences between the model rules and the Mississippi  
3     rules with respect to any of the rules mentioned in  
4     your report?

5                   A.     I don't think I can, no, sir. I believe what  
6     I've quoted, though, are the Mississippi rules. All  
7     right.

8                   Q.     Have you -- I think you mentioned that you've  
9     authored some articles that may be relevant to some  
10    sort of the topics here. Can you describe for me which  
11    articles -- well, let -- let me ask a better question.

12                  Have you --

13                  A.     The answer is no, I really can't.

14                  Q.     It might be the -- might be the answer to the  
15    better question, too, but let me -- let me try to do  
16    better.

17                  A.     All right.

18                  Q.     Have you authored any articles, books, or  
19    other publications relevant to the -- the topics of  
20    your expertise that you're here to speak about today,  
21    specifically law firm management?

22                  A.     Well, you'll see on my CV that I've been  
23    involved in editing a book on law firm practice  
24    management back in 2014 that was supposed to be a  
25    practical guide for law firms, and it was published by

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1 DRI. I have run -- I'm -- I've been the chair and been  
2 involved with the DRI Managing -- Law Practice  
3 Management Committee section -- I'm not sure what they  
4 call themselves. I think it's committee -- for a  
5 number of years.

6 Let's see. Let's go back and see when all  
7 that started. Yeah, since 2012. I was chair of the  
8 law practice management section. I've been involved  
9 with the DRI Center for Law and Public Policy on the  
10 economics of the practice of law. Been looking lately  
11 at nonlawyer investment in law firms, which is also a  
12 management issue.

13 But when you get down to the issue of managing  
14 law firm personnel and economics, I've run -- I've been  
15 fully responsible for two day-long seminars, one in  
16 2022, maybe, and one -- well, we did one virtually in  
17 2021, then one in 2022, and then I was a participant, I  
18 think, last year.

19 I've been a speaker at all of those. You'll  
20 see that I spoke about hard conversations in law firm  
21 management, which meant -- means tackling issues,  
22 succession planning. Disaster planning was a big topic  
23 post-Katrina, and I traveled around and spoke about  
24 that a bit, as well, to law firms and to bar  
25 associations. So yes.

1                   Q.    Okay.  So everything you've been talking  
2                   about, is that through the DRI?

3                   A.    Yes.  The latter things, the most recently  
4                   things I've been doing in that regard is through DRI,  
5                   yes, sir.

6                   Q.    And tell us what DRI is.

7                   A.    DRI is a lawyer organization.

8                   Q.    What does "DRI" stand for?

9                   A.    I don't think it stands for anything now.

10                  Years and years ago, it was the Defense Research  
11                  Institute, but I think they just call it DRI now.  And  
12                  it's a group of basically lawyers who handle the  
13                  defense of corporations and insurance companies, maybe  
14                  10,000 lawyers across the country.  And it's broken up  
15                  into committees, and I somehow -- not somehow.  I -- my  
16                  area of interest was law practice management, and so  
17                  I became active in that committee.

18                  There was a period of time when DRI  
19                  collaborated with LexisNexis to offer a managing  
20                  partner.  We call it managing partner and law firm  
21                  leader seminar.  And there was also a period of time  
22                  when DRI collaborated with John Remsen to do those.  
23                  I was actively involved in all of those.  But then it  
24                  passed on to the committee, and so we've been running  
25                  it.  COVID got in the way, but we've been running it

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1 for the last five years or so.

2 Q. So zeroing in on law firm practice management,  
3 the -- and zeroing in on publications, which I think is  
4 where -- where we got started on this --

5 A. Oh, I'm sorry.

6 Q. That's okay.

7 What publications have you authored concerning  
8 law firm practice management?

9 A. Okay. So there's -- they're on my CV.  
10 They're -- I was an editor of the Law Firm Practice  
11 Management book. Then I did a couple of articles for  
12 the defense. I did presentations in 2021 and 2022 and  
13 2025.

14 Q. Okay. So can we just be a little more  
15 specific about where you're looking on the CV?

16 A. Oh, I'm sorry. It's --

17 Q. That's okay.

18 A. -- the end of -- it's the -- the bottom of  
19 page 4 and the top of page 5.

20 Q. Okay. So bottom of page 4, we've got the --  
21 the Law Firm Practice Management, DRI Library Series in  
22 2014?

23 A. Correct.

24 Q. And -- and you were a co-editor of that  
25 publication?

1                   A. I was, yes.

2                   Q. And what is that? Is it a book?

3                   A. Yeah, it's a book. It's meant to be a  
4                   practice guide, not unlike the practice assistance and  
5                   improvement book that was published -- and I guess I  
6                   should go back and talk about that as well -- published  
7                   for the Louisiana State Bar Association. It's a book.  
8                   It's got forms. It's got "Here's something you should  
9                   do. Here's how you're looking at margins. Here's how  
10                  you're looking at supervising." There's a variety of  
11                  topics.

12                  Q. And is there anything in this book that you  
13                  authored as opposed to edited?

14                  A. Yes, but the thing that I authored was -- oh,  
15                  gosh. Yeah, the thing that I authored was -- I'm just  
16                  trying to think if I authored more than one, but the  
17                  one that I remember authoring is the marketing of a law  
18                  firm.

19                  Q. A chapter on marketing --

20                  A. Yes, sir.

21                  Q. Okay. And you mentioned a Louisiana State Bar  
22                  guide. What was that?

23                  A. So remember when I was telling you my long  
24                  story of Louisiana State Bar Association involvement,  
25                  there was --

1 Q. I do remember that.

2 A. I'm sorry about that.

3 Q. That's okay.

4 A. There's the Practice -- Practice Assistance  
5 and Improvement Committee, which we put together, and  
6 it looks like from 1997 to 2003. There is a guide and  
7 booklet in that -- in the -- in that setting that gets  
8 updated pretty regularly. And it's -- it's got all  
9 kinds of day-to-day recommendations. "Here's a letter  
10 of engagement. Here's a letter of disengagement.

11 Here's a" --

12 Q. Okay.

13 A. "Here's how you should track your -- your --  
14 your trust account." That kind of thing.

15 Q. Can you remember the title of that book?

16 A. Practice Assistance and Improvement Guide,  
17 I believe.

18 Q. And is that something that you personally  
19 authored, edited?

20 A. Uh-huh. I wrote almost -- almost all of that  
21 in its original format, and now it's been updated over  
22 the years.

23 Q. Is that something that I can find on the  
24 Louisiana State Bar website?

25 A. I bet you could, yeah.

1                   Q.    Do you recall whether there's anything in that  
2 book about supervising other lawyers?

3                   A.    Yeah, I think there is.

4                   Q.    Do any of the publications that you've  
5 authored have anything to say about outside work of a  
6 lawyer or employee at a law firm?

7                   A.    That's a very broad question, and I'm not --  
8 I think that a lot of the things that are in the --  
9 the trainings that I've done have to do with, really,  
10 limiting the outside work that employees and,  
11 particularly, lawyers do. So no, I have not written  
12 any articles about outside work that lawyers can or  
13 should do for law -- outside of the law firm work.

14                  Q.    So when you say that the things you've done  
15 have to do with limiting the outside work that  
16 employees and lawyers do, have you written about that  
17 specifically?

18                  A.    I don't know that I have, no.

19                  Q.    What about any of the matters that you have  
20 worked on, litigation matters, ethics matters, ethics  
21 opinions that you've participated in issuing? Did any  
22 of those have to do with the outside work of a lawyer  
23 or a law firm employee?

24                  A.    As I sit here today, I can't think of any, no,  
25 sir. But possibly.